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UNCLAS SECTION 01 OF 02 KATHMANDU 001199

SIPDIS

SENSITIVE

STATE FOR SA/INS
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TAGS: [PGOV](#) [NP](#) [GON](#)

SUBJECT: RULING PARTY RUMBLE: NEPALI CONGRESS PARTY
POSITIONS FOR A SPLIT

REF: A. (A) KATHMANDU 1055

[B](#). (B) KATHMANDU 1091

[C](#). (C) KATHMANDU 1141

SUMMARY

[1](#)1. (SBU) As predicted (Ref A), supporters of Prime Minister Sher Bahadur Deuba have called a General Convention of the Nepali Congress Party with the aim of deposing Party President and former PM Girija Prasad Koirala from his post. The motion to oust Koirala from the party leadership is expected late the evening of June 18. If carried, the motion will almost certainly provoke counter-challenges from the Koirala camp before the Election Commission and the Supreme Court. Chronic intra-party strife threatens to continue to divert the nation's leadership from more important problems--such as the Maoist insurgency--afflicting the country. A split in the party is also likely to offer new opportunities to the Congress' rivals, including the Communist Party of Nepal - United Marxist Leninist, the largest Opposition party. End summary.

PARTY GENERAL CONVENTION CONVENES

[1](#)2. (U) After efforts to reconcile the two warring factions of the Nepali Congress Party proved fruitless, supporters of Prime Minister Sher Bahadur Deuba called a General Convention of the Nepali Congress Party membership in the capital June 17-18 with the aim of deposing Party President and former PM Girija Prasad Koirala from his post. The Convention caps a series of strikes and counter-strikes--including Deuba's expulsion from the party--in the ongoing power struggle between the two leaders (Reftels). One delegate told the Ambassador June 17 that 800 bona fide Convention members (out of a total of 1,465) participated in the closed session the first day. One local press report put the number of attendees at 900. A 51 percent majority of Convention members' votes is needed in order to amend the party Constitution, while a two-thirds majority is needed to depose the President.

[1](#)3. (SBU) According to Karna Malla, PM Deuba's personal assistant, delegates at the second session the late afternoon of June 18 were voting on amendments to the party Constitution--including, most likely, the stipulation of a two-thirds majority to oust the President. Once the amendments are accepted into the Constitution, a vote to depose the President will follow on the late evening of June 18, Malla predicted. As of COB June 18, the delegates remained closeted.

CONVENTION ILLEGAL, CLAIMS KOIRALA CAMP

[1](#)4. (SBU) Also as expected, supporters of aging Party President G.P. Koirala are rejecting the Convention as illegal. Party General Secretary Sushil Koirala (who was holding his own meeting with a rival group of party members when we talked to him June 18) claimed that the attendees do not hold valid credentials and noted that Koirala supporters are boycotting the sessions. Deuba cannot call a General Convention now that he has been expelled from the party membership (Ref A). Should Deuba admit his mistake in dissolving Parliament, however, his expulsion might be reconsidered, Koirala explained. He added that he questions the attendance tallies reported in the daily press, asserting that no more than 400 members are attending the Convention.

COMMENT

[1](#)5. (SBU) If Convention members proceed as expected with amending the Party Constitution to oust Koirala as Nepali Congress President, it could trigger a tendentious legal

battle--played out first before the Election Commission Court and then, most likely, before the Supreme Court--as the two factions fight for the right to use the name, symbol, flag, and other assorted paraphernalia of Nepal's oldest and largest party in the November 13 elections. (One historical note: The Supreme Court heard a similar case in 1994, after the Election Commission refused to allow Baburam Bhattarai's faction of the United People's Front to register for elections. Although Bhattarai's faction won before the Supreme Court, he refused to participate in the elections and went underground, re-emerging two years later to head the Maoist insurgency.) Whatever the outcome of the legal contest, it is unlikely to matter to the country's voters as much as the fact that such protracted, self-interested intra-party squabbling continues to divert the leadership's attention from addressing far more significant issues--such as the Maoist insurgency--directly affecting their constituents. Regardless of who prevails in court, this most recent Congress controversy can only further tarnish that proud old party's public image, thereby offering fresh opportunities to other contenders, including the Communist Party of Nepal - United Marxist Leninist, in the upcoming elections.